

# South Hampton News

## Fall 2023



We are at the tail end of the 2023 storm season and so far, have fared well. We had 2 named storms, the first was tropical storm Idalia that dropped 7.4 inches of rain on Horry County along with tropical storm winds and high tides. The second was tropical storm Ophelia that passed us on the ocean side and made landfall in North Carolina. It brought us rain, winds and high tides. Hopefully the remainder of the storm season will be uneventful.

The KPMA has committed to continue the landscaping work around the north side of our building. They will be making improvements to the islands in our parking lot and the large island that separates our parking lot from the road. The focus is to lower the beds and replace the red stones with mulch. The KPMA has also committed to replace some concrete that has settled in our driveway to the underbuilding parking and the side walk on the north side of our building leading to the stairs to the front entrance.

Rebuilding our financials is a long journey, but we are making the planned improvements as we continue to contribute to our reserve fund and closely monitor all spending as well as negotiating all contracts. We have a large cost coming in the next month or two for our roof replacement and 10-ton rooftop air conditioner replacement. Because of our diligent planning, we are in a position to pay cash for the project and we will not deplete our reserves.

We want to thank everyone for your kind and understanding words and recognition of the efforts made by the board to make all the necessary changes to rebuild our financials.



## 2023 Annual Town Hall Meeting

Our Annual Homeowners Town Hall Meeting will be held on October 21<sup>st</sup> at 1:30 pm in the Embassy Suites Hampton Room and via Zoom. Empress will send out a Zoom link a few days before the meeting.

### Meeting Draft Agenda:

1. Insurance Update
2. Current Financials
3. Account Balances
4. Maintenance and Repairs
5. Reserve Funds and Capital Projects
6. Architectural Modification Application
7. Empress Update
8. 2024 Draft Budget
9. Questions & Answers

The Board of Directors has decided to change insurance brokers for 2024. Our new broker is McGriff. McGriff has an office in Myrtle Beach and they are part of Truist Insurance Holdings, Inc., one of the top 10 largest insurance brokers in the world.

Our agent, O'Neil McCoy, is senior Vice President and he will be attending our Town Hall Meeting to talk to homeowners about the insurance market, pricing, and how claims are filed and handled.

McGriff also offers HO6 to homeowners.

Insurance is a major concern for oceanfront properties and has become the single largest line item in our budget, representing 33% of our overall budget.

This should be a very informative discussion and we hope you all can attend.



Year-to-Date through September our income is \$1.34M and \$145k over budget. This is positive and is a result of the collections on our insurance special assessment that was not in the budget. Our total operating expenses were \$1.02M and our contribution to the reserve account was \$315k, totaling \$1.3M in expenses. Over-all through September we are positive \$8.3k compared to the budget with the insurance special assessment collections included.

We continue to fully fund our reserves YTD with deposits totaling \$315k. We drew \$72.5k out of our reserves this YTD for: cast-iron drain pipe replacements, balcony deck materials, & repairs, fire system controller, cooling tower electrical and stairwell safety illumination. There will be withdraws later this year for the roof, the 10-ton rooftop AC unit, cooling tower electrical, floor and wall repairs to our compactor room and back elevator lobby and FOAK stairwell safety illumination.

We continue to oversee and manage all expenses as well as negotiating all contracts.

2023 September YTD			
Income			
Income	\$1,342,802	\$1,198,102	\$144,700
Expenses			
	Actual	Budget	Variance
Administrative	\$664,520	\$545,587	(\$118,933)
Repairs & Maintenance	\$232,298	\$196,475	(\$35,823)
Utilities	\$136,931	\$143,212	\$6,281
Insurance Claim	(\$12,060)	\$0	\$12,060
Expenses	\$1,021,689	\$885,276	(\$136,413)
Reserve Contribution	\$315,000	\$315,000	\$0.00
Total Expense w/Reserve	\$1,336,689	\$1,200,276	(136,413)
Net Income	\$6,113	(\$2,174)	\$8,287

### September 30<sup>th</sup> Account Balances:

**Operating Acct:** \$54,841 – Is funded by our monthly regular assessment (dues), storage room income, and other income. \$83,872 was borrowed from this account to pay an insurance premium. \$83,872 remains to be paid back.

**Operating Reserve Acct:** 636,743 – Is funded by our monthly contribution of \$35,000 from the Operating Acct.

\$121,000 was borrowed from this account to pay the insurance down payment. \$78,000 remains to be paid back.

**Special Assessment Acct:** \$81,492 – Is funded from owners' monthly payments for the 2019/2020 building project.

This pays our monthly payment towards our loan. The balance due on our loan is \$322,254 with a maturity date of January 2026.

**Insurance Escrow Acct:** \$30,636. This decreases to \$0 as we pay our insurance premiums and pay back what we borrowed from our operating and reserve accounts.

## 2023 YTD Maintenance and Capital Improvement Projects

### Maintenance Repairs

- Replaced frozen water lines in garage and cooling tower
- Repaired wiring in pool pump room
- Multiple elevator failures
- Cooling tower fill and shut-off valves
- Main lobby sliding door repair
- Cooling tower closed loop system pressure repair
- Repainted first 4 floors of both stairwells
- Repaired several common area doors
- Replaced exhaust fan in pool pump room
- Removed bad wall paper around elevators in main lobby and painted
- Lattice on ocean side of building replaced with wooden louvers
- New compactor room doors installed
- Fire water system repairs from annual inspection
- Fire pump rebuilt
- Water main repaired by City of MB (no cost to HOA)

### Upcoming Maintenance and Capital Projects

- Balcony floors punch list to be completed – October
- Repair compactor room floor and drain – October
- Stairwell Illumination striping to meet new code requirements – October/ November
- Cooling Tower electrical repairs – November
- 10-ton HVAC roof unit will be replaced – November
- Roof will be replaced – November
- Install new front lobby doors – November
- Replace broken tiles around the coping of the pool before spring
- Repair and improve back elevator lobby
- 3 common area 1987 HVAC units died and will need to be replaced as soon as can be scheduled
- Reviewing upgrades to front entrance driveway
- We are interviewing commercial designers to help with the interior design of our building

## Pet Program Reminder

FOAK will begin managing the program on-site within the next week or two.

Thank you to all the owners who have already registered your pets.

All owners are permitted up to 2 pets within their unit. All pets must be registered with Empress to receive a unique pet tag. A \$25.00 per pet registration fee will apply. Any pet owner without a pet tag on their pet will be given an opportunity to register their pet. If the pet does not qualify for registration, the pet will have to be removed from the property and the Unit owner will also be notified.

To register your pet, please contact Michelle Taylor at Empress. Michelle can be contacted at [michelle@empressmgt.com](mailto:michelle@empressmgt.com) or 843- 443-4003.

## Trash Dumpsters

The HOA has 4 dumpsters that are exclusively used for the trash chute compactor. We have 1 dumpster for homeowners, guests and tenants to dispose of larger items that do not fit in the trash chutes. Furniture (including patio furniture), appliances, kitchen cabinets, sinks, toilets and other construction debris cannot be put in the dumpster or left on the ground in the dumpster area. **Contractors are not permitted to use our dumpsters and trash chutes. Contractors are responsible to remove all trash and debris from the South Hampton and Kingston property.** Homeowners needing to dispose of these larger bulk items need to take them to the local dump or you can call our maintenance company, Four Of A Kind, who is offering a pickup service for homeowners. This service will be scheduled directly between the homeowner and FOAK. The fee for this service is \$100.00 per pickup. To schedule a pickup, call Michael at 631-579-8500.

Eligible items for this service are: bulk trash, house hold furniture (sofas, tables, dressers, beds, etc.), appliances, and bicycles. Construction debris is **NOT** included with this service.

## Dryer Vent Cleaning Program

Dryer vent cleaning has been a topic of discussion for some time. The dryer vents are the homeowner's responsibility for servicing/ maintaining and cleaning. Without routine cleaning, blockages could occur from birds entering through the outside vent and bringing in sticks, leaves and other items as well as lint from the dryer. A blockage in the dryer vent could lead to moisture building up in the vent and causing the vent to rot through leading to water damage in the soffit and/or to a potential fire.

The Association has started receiving quotes for this service and we should have more information to share in the coming weeks.



This is a reminder for homeowners that have not yet signed up for the Empress website. Once you sign up and create your login, you will have access to view your account and setup payment methods. If you need assistance creating your login, please reach out to Michelle Taylor at Empress.

We are asking all homeowners to use ACH or electronic Bill Pay to pay your HOA dues and assessments. The printing and mailing of coupon books are expensive and we are trying to eliminate these costs. We are considering eliminating the use of coupon books completely in the future. Please call Michelle if you need help setting up your electronic payments.

Michelle can be contacted at [michelle@empressmgt.com](mailto:michelle@empressmgt.com) or 843- 443-4003.

(<https://empressmgt.cincwebaxis.com/>)

## Board of Directors

